AMENDED IN SENATE MAY 19, 2016 AMENDED IN ASSEMBLY JANUARY 25, 2016 AMENDED IN ASSEMBLY JUNE 3, 2015 AMENDED IN ASSEMBLY JUNE 2, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 67

Introduced by Assembly Member Gonzalez
(Coauthors: Assembly Members Calderon, Chu, and McCarty)
(Coauthor: Senator Allen)

December 17, 2014

An act to add Section 511.5 to the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 67, as amended, Gonzalez. Double Pay on the Holiday Act of 2016.

Existing law provides that 8 hours of labor constitutes a day's work. Under existing law, any work in excess of 8 hours in one workday and any work in excess of 40 hours in any one workweek, and the first 8 hours worked on the 7th day of work in any one workweek, is required to be compensated at the rate of no less than $1\frac{1}{2}$ times the regular rate of pay for an employee. Existing law also provides that hours worked in excess of 12 hours in one day as well as hours worked in excess of 8 hours on any 7th day of work are to be compensated at the rate of no less than twice the regular rate of pay of an employee. A violation of these overtime wage provisions constitutes a crime.

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This bill would enact the Double Pay on the Holiday Act of 2016 that 2016, which would require an employer to pay at least 2 times the regular rate of pay to an employee employees at retail and grocery store establishments, as defined, except employees in specified categories, for work on a family holiday, as defined. The bill would exempt restaurants, except for restaurants located within retail or grocery store establishments, from the act.

Because this bill would expand the definition of a crime, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 511.5 is added to the Labor Code, to 2 read:
 - 511.5. (a) This section shall be known, and may be cited, as the Double Pay on the Holiday Act of 2016.
 - (b) Any work performed at a retail store establishment or a grocery store establishment on a family holiday shall be compensated by the employer at no less than twice the employee's regular rate of pay.
 - (c) The provisions of this section are in addition to and independent of any other rights, remedies, or procedures available under any other law to an aggrieved employee.
 - (d) As used in this section:

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- (1) "Employee" does not include the following:
- (A) An employee covered by a valid collective bargaining agreement if the agreement expressly provides for the wages, hours of work, and working conditions of employees, and expressly provides for holiday premium pay for those employees, premium wage rates for all overtime hours worked, and a regular hourly rate of pay of not less than 30 percent more than the state minimum wage.

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(B) An employee who is exempt from the payment of an overtime rate of compensation for executive, administrative, and professional employees pursuant to wage orders issued by the Industrial Welfare Commission described in Section 515.

- (C) An employee who is employed by an employer who employs 500 or fewer employees.
- (2) "Employer" means any person employing another under any arrangement or contract of hire and includes the state, political subdivisions of the state, and municipalities.
- (3) "Retail store establishment" means a physical store within the state with more than 50 percent of its revenue generated from merchandise subject to the state's sales and use—tax, taxes, including, but not limited to, electronics, appliances, clothing, furniture, sporting goods, health and personal products, or a limited line of food products for onsite consumption. A "retail store establishment" does not include a store located in a hotel, amusement park, or movie theater. theater, or a new motor vehicle dealer, as defined in Section 426 of the Vehicle Code.
- (4) "Grocery store establishment" means a physical store within the state that sells primarily household foodstuffs for offsite consumption, including, but not limited to, the sale of fresh produce, meats, poultry, fish, deli products, dairy products, canned foods, dry foods, beverages, and baked or prepared foods. Other household supplies or products are secondary to the primary purpose of food sales. A "grocery store establishment" does not include a store that occupies 5,000 square feet or less of floor space and that sells transportation fuels in conjunction with, and at the same physical location as, household foodstuffs for offsite consumption.
- (5) "Family holiday" means the fourth Thursday of November of each year.
- (e) This section shall not apply to restaurants, except for restaurants that are located within a retail store establishment or a grocery store establishment.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of

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- the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.
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